



TO WHOM IT MAY CONCERN:

U. S. AGENCY FOR
INTERNATIONAL
DEVELOPMENT

Issuance Date: November 8, 2005
Closing Date: November 30, 2005
Closing Time: 14:00 hours local time

Subject: Request for Applications (RFA) Number 520-A-06-003

GUATEMALA - CENTRAL
AMERICAN PROGRAMS

The United States Agency for International Development (USAID) is seeking application concept papers for an Assistance Agreement for funding a program for Greater Number of More Competitive enterprises in Agriculture, Forestry and Tourism.

PLAZA UNO

1A. CALLE 7-66,

ZONA 9,

GUATEMALA 01009

A two-step application process will be utilized. STEP ONE consists of the submission of application *concept papers* to USAID/Guatemala; and STEP TWO will consist of the evaluation of full applications submitted at the invitation of USAID/Guatemala. This is more fully described in Section I **APPLICATION INSTRUCTIONS AND REVIEW PROCESS, Overview of the Application Process**

USAID

UNIT 3323

APO AA 34024

U.S.A.

The authority for this program is authorized in accordance with the Foreign Assistance Act of 1961, as amended. USAID/Guatemala anticipates to award two or more Cooperative Agreements that will be made and administered in accordance with the following: For U.S. organizations, 22CFR 226, OMB Circulars and the USAID Standard Provisions for U.S. Organizations; For Non-US Organizations Standard Provisions for Non-US Organizations. You may download a copy from the following internet address:
<http://www.usaid.gov/pubs/ads/300/303mab.pdf>

The Recipient will be responsible for ensuring achievement of the program objective to create a greater number of more competitive and market-oriented small and medium rural enterprises in agriculture, forestry and tourism. Please refer to the Program Description for a complete statement of goals and expected results.

Pursuant to 22 CFR 226.81, it is USAID policy not to award profit under assistance instruments. However, all reasonable, allocable, and allowable expenses, both direct and indirect, which are related to the grant program and are in accordance with applicable cost standards (22 CFR 226, OMB Circular A-122 for non-profit organization, OMB Circular A-21 for universities, and the Federal Acquisition Regulation (FAR) Part 31 for-profit organizations), may be paid under the grant.

Subject to the availability of funds, USAID intends to provide approximately \$8,000,000 in total USAID funding to be allocated over the four year period. USAID reserves the right to fund any or none of the applications submitted.

For the purposes of this program, this RFA is being issued and consists of this cover letter and the following:

1. Section I - Application Instructions and Review Process;
2. Section II - Selection Criteria;
3. Section III - Program Description;
4. Section IV - Certifications, Assurances, and Other Statements of Applicant/Grantee;

For the purposes of this RFA, the term "Grant" is synonymous with "Cooperative Agreement"; "Grantee" is synonymous with "Recipient"; "Grant Officer" is synonymous with "Agreement Officer"; and "application" is synonymous with "concept paper".

If you decide to submit an application concept paper, it should be received by the closing date and time indicated at the top of this cover letter at the place designated below for receipt of applications. Applications and modifications thereof shall be submitted in envelopes with the name and address of the applicant and RFA # 520-A-06-003 inscribed thereon, to:

Regional Contracting Office
USAID/GUATEMALA
ATT: Alejandra Garcia
1 Calle 7-66, Zona 9
Guatemala city, Guatemala, 01009

All organizations that are interested in participating in this RFA, please indicate your interest by sending an e-mail to Mrs. Alejandra Garcia at agarcia@usaid.gov. Please provide your organizational name, contact information, and key person in your organization. USAID/Guatemala plans on publishing a list of interested organizations so that consortia may be formed, if desired. Please provide the above requested information no later than **November 18, 2005**.

Issuance of this RFA does not constitute an award commitment on the part of the Government, nor does it commit the Government to pay for costs incurred in the preparation and submission of an application. In addition, final award of any resultant grant(s) cannot be made until funds have been fully appropriated, allocated, and committed through internal USAID procedures. While it is anticipated that these procedures will be successfully completed, potential applicants are hereby notified of these requirements and conditions for award. Applications are submitted at the risk of the applicant; should circumstances prevent award of a cooperative agreement, all preparation and submission costs are at the applicant's expense.

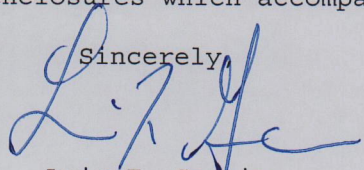
The preferred method of distribution of USAID procurement information is via grants.gov on the world wide web (www). This RFA and any future amendments can be downloaded from the Agency Web Site. The World Wide Web Address is <http://www.grants.gov>. Select "Get Started", then click on "search for Grant Opportunities", and select the appropriate location and search for the RFA. If you have difficulty with accessing the RFA, please contact Ms. Sebrina Robinson at (202) 712-0595 for technical assistance. Receipt of this RFA through grants.gov must be confirmed by written notification to the contact person noted below. It is the responsibility of the recipient of the application document to ensure that it has been received from grants.gov in its entirety and USAID bears no responsibility for data errors resulting from transmission or conversion processes.

In the event of an inconsistency between the documents comprising this RFA, it shall be resolved by the following descending order of precedence:

- (a) Section II - Selection Criteria;
- (b) Section I - Application Instructions and Review Process;
- (c) the Program Description;
- (d) This Cover Letter

Any questions concerning this RFA should be submitted in writing to Mrs. Alejandra Garcia, via facsimile at (502) 2422-4587 or via internet at agarcia@usaid.gov. Applicants should retain for their records one copy of all enclosures which accompany their application.

Sincerely,



Luis F. Garcia
Agreement Officer
USAID/El Salvador

SECTION I - APPLICATION INSTRUCTIONS AND REVIEW PROCESS

Overview of the Application Process

In accordance with ADS E303.5.5(a) (3), a two-step application process will be utilized. STEP ONE consists of the submission of application concept papers to USAID/Guatemala. The review of the application concept papers will be made in accordance with the evaluation criteria, Section II of this RFA. At the conclusion of this STEP ONE of the process, applicant organizations with promising applications may be invited by USAID/Guatemala to develop a full application for USAID funding, requiring detailed planning with alliance partners on program implementation and resource commitments. **An invitation to develop a full application does not constitute a guarantee of USAID funding.**

STEP TWO will consist of the evaluation of full applications submitted at the invitation of USAID/Guatemala. At the conclusion of the STEP TWO review, USAID/Guatemala will select those applications that it intends to fund, if any, and will proceed to negotiate an award with each successful applicant subject to availability of funding.

STEP ONE: Application Concept Paper Stage

Application concept papers are strictly limited to no more than five (5) pages in length (including the one-half page of budget information) using 12-point font. Application concept papers should be concise, technically sound, and demonstrate a clear sense of the applicant's key objectives and ability to carry out the program. Application concept papers are to be submitted to USAID/Guatemala.

Application concept papers should include the following information:

The Technical Proposal should specifically address how the Applicant intends to implement the Program Description. It should clearly describe the magnitude of the results to be achieved; the activities which will be undertaken; the roles, responsibilities and leverage provided by alliance partners; and the mechanisms to be utilized to maximize beneficiary cost-sharing.

A. Applications to More than One Cluster Program

USAID/Guatemala Strategic Objective # 2 encourages creativity in the way that Applicants propose to meet the objectives and expected results of the SO2 program. It also encourages Applicants to represent teams comprised of organizations that have joined together to make an application. Applicants are therefore encouraged to consider working in more than one of the three clusters as they and their alliance partners see fit.

B. Activities

Applicants are expected to describe their activities in a way that links them directly to the achievement of expected results. From that basis, Applicants are expected to describe specific activities and approaches, how they will be organized and implemented, how beneficiaries will be selected, and how the

assistance provided to those beneficiaries can be reasonably expected to achieve the expected results. Applications are also expected to identify specific beneficiary groups and organizations to the extent possible, quantify the expected number of direct beneficiaries (individuals, families, community groups and associations, micro-, small and medium enterprises), specify the geographic area(s) where activities will take place, and indicate where Government of Guatemala involvement will be needed to resolve critical issues which could impact implementation.

C. Alliance Partners

Applicants are expected to form alliances and partnerships with non-traditional partners, private businesses, and development organizations to address competitiveness issues in the clusters. Specifically, Applicants are expected to describe the roles, responsibilities, expertise, and commitments of their alliance partners; and how the partners will share resources, risks and rewards, leveraging significant resources, apply proven expertise, work jointly with new and existing partners, and use innovative approaches to achieve the expected results.

D. Leverage and Beneficiary Cost Sharing

Applicants should treat USAID/Guatemala Strategic Objective #2 funding as leverage which, in combination with alliance partner resources and beneficiary cost sharing, will be used to build the foundation for sustained rural economic growth. SO2 funding should not be viewed as the means of simply financing the recurrent costs of implementation. The Applicant and its alliance partners are expected to provide leverage in a proportion of at least 1:1 from USAID, to help establish sustainable service delivery mechanisms to rural farm and non-farm enterprises. Leverage, defined as financial and in-kind contributions/investments which enable the achievement of substantial results, could include resources from joint ventures and commercial partnerships among others. However, it should not include sales, sales contracts, or purchase agreements. Within these parameters, Applicants are expected to quantify the leverage which will be provided in terms of cash and in-kind contributions.

In addition to leverage provided by partner resources, USAID expects the Applicants, as recipients, to contribute at least 15% in cost sharing to implement program activities and achieve expected results.

E. Organization, Management and Staffing

The Applicant's organizational structure for working with its alliance partners to effectively manage activity implementation is critical to the achievement of results. Therefore, the Applicant is expected to describe the organizational structure and staffing requirements for ensuring effective management of activity implementation and finances, while at the same time facilitating creativity and innovation and providing the flexibility to respond to emerging market opportunities to achieve results.

Beneficiary cost-sharing and fees-for-services are expected to help defray the costs of service delivery, and are a critical element of establishing sustainable mechanisms to support cluster competitiveness. Therefore, the Applicant is expected describe how it will use beneficiary cost-sharing (payment for services) to complement USAID and alliance partner resources to maximize expected results.

The Recipients' Program Managers will be the principal USAID SO2 contacts, with primary responsibility for Annual Work Plan development and implementation, and periodic reporting. However, Applicants are free to identify other Key Personnel positions based on the relationship between their responsibilities and the achievement of results.

F. Awards to Organizations

USAID/Guatemala will award Cooperative Agreements to Applicants who are either (1) Guatemalan organizations or (2) U.S. organizations with existing offices and activities in Guatemala.

G. Cost Application

An illustrative budget that identifies the total estimated cost of the program with a breakout of major expense categories (up to half (1/2) a page.

Application Concept Paper Review Schedule

All application concept papers must be in English. You may translate your application to Spanish, but must still submit an English version; and submitted directly to: Regional Contracting Office; USAID/GUATEMALA; ATT: Alejandra Garcia; 1 Calle 7-66, Zona 9; Guatemala city, Guatemala, 01009.

An original and one copy, plus a 3.5" disk or CD (MS Word format), are required.

All application concept papers must be received by 14:00 hours local time, on November 30, 2005.

Issuance of this RFA does not constitute an award or commitment on the part of the U.S. Government, nor does it commit the U.S. Government to pay for costs incurred in the preparation and submission of an application concept paper.

STEP TWO: Full Application Stage

Potential partners whose application concept papers have been favorably reviewed according to the applicable evaluation criteria may be invited by USAID/Guatemala to further develop the program plan and to submit a full application as a basis for a potential award.

The full application is a more detailed submission. Full applications will undergo a comprehensive evaluation according to Section II, paragraph B.

All questions concerning this RFA should be submitted to Alejandra Garcia by E-mail (agarcia@usaid.gov), or by facsimile at (502) 2422-4587.

Neither a favorable evaluation of the application concept paper in the STEP ONE review process nor an invitation to submit a full application constitutes a guarantee of USAID funding.

SECTION II - SELECTION CRITERIA

The technical criteria below are presented by major category, in relative order of importance, so that applicants will be aware of areas of relative emphasis in the preparation of their applications. All applications will be evaluated pursuant to the standards below.

Relative importance of the Evaluation Factors-Best Value Source Selection

An offer must be acceptable in order for the offeror to be eligible for an award. USAID will not award a cooperative agreement on the basis of an unacceptable offeror and considers the offeror's non-cost factors to be more important than its cost. USAID will not select an offeror on the basis of superior technical rating without consideration of cost. The relative influence that technical rating and cost will have on selection will depend on the marginal differences among the competing offerors.

In order to select the winning offeror, USAID, will rank offers by making paired comparisons, trading off the marginal differences in technical merits and costs. If one offeror has both the highest technical rating and the lowest cost, then that offeror will be the better value. If one offeror has the better technical rating and the higher cost, then the technical evaluation panel will decide whether the marginal difference in technical rating is worth the marginal difference in cost (trade-off). If the technical evaluation panel considers the highest technical rated offeror to be worth the higher cost, then the higher technically rated, higher-cost offeror will be the better value. USAID will select the offer determined to be most advantageous based on the factors contained in this RFA.

A. Technical Criteria for Concept Paper

1. Responsiveness of the proposal, as demonstrated by (25 points):

- Understanding of the technical, institutional, and political issues facing small and medium-scale enterprises in Guatemala in the target cluster and what is needed to improve their competitiveness,
- Extent to which the Applicant's proposal will build sustainable local (Guatemalan) institutional capacity and address GoG program priorities

2. Quality of the Applicant's technical approach, as demonstrated by (25 points):

- The creativity, innovativeness, and technical soundness of the approach to improving cluster competitiveness and addressing constraining factors and bottlenecks,

3. Skills and Experience: Applicant's Proposed Personnel (25 points):

- Demonstrated technical expertise of Applicant's personnel
- Spanish and English fluency

4. Applicant's Past Performance (25 points):

- Past performance of the Applicant in the implementation of programs of similar magnitude and complexity with respect to results achievement, and
- Prior experience in successfully implementing rural economic growth activities in Guatemala

B. Technical Criteria for Full Application

1. Responsiveness of the proposal, as demonstrated by (25 points):

- Promoting and building commercial alliances and business partnerships,
- Understanding of the technical, institutional, and political issues facing small and medium-scale enterprises in Guatemala in the target cluster and what is needed to improve their competitiveness,
- Extent to which the Applicant's proposal will build sustainable local (Guatemalan) institutional capacity and address GoG program priorities, and
- Alliance partners' commitments to financial and in-kind contributions (leverage)

2. Quality of the Applicant's technical approach, as demonstrated by (25 points):

- The creativity, innovativeness, and technical soundness of the approach to improving cluster competitiveness and addressing constraining factors and bottlenecks,
- Expected impact and magnitude of expected results to be achieved over the remaining life of the strategy (2005-2009), and
- Application of lessons learned and diagnoses and evaluations from past development efforts to maximize the likelihood of success

3. Skills and Experience: Applicant's Proposed Personnel (25 points):

- Expertise, roles, responsibilities and commitment of proposed personnel,
- Demonstrated technical expertise of Applicant's personnel
- Spanish and English fluency
- Proposed organization and staffing levels of application for optimal program management

4. Applicant's Past Performance (25 points):

- Past performance of the Applicant in the implementation of programs of similar magnitude and complexity with respect to results achievement, and
- Prior experience in successfully implementing rural economic growth activities in Guatemala

SECTION III - PROGRAM DESCRIPTION

Greater Number of More Competitive Enterprises in Agriculture, Forestry and Tourism

I. INTRODUCTION

This Request For Applications (RFA) is issued under USAID/Guatemala Strategic Objective 2 (SO2) - "Economic Freedom: Open, Diversified, and Expanding Economies." The three principal program components of SO2 are: (1) strengthening laws, policies and regulations that promote trade and investment; (2) creating a greater number of more competitive and market-oriented private enterprises; and (3) promoting broader access to financial markets and services. The cooperative agreements awarded through this RFA will make up most of the second program element and will be expected to create more and better business opportunities for small and medium size farms and non-farm enterprises in rural Guatemala, directly resulting in:

- New small and medium enterprises (SMEs),
- New partnerships and business alliances involving (SMEs),
- Expansion of existing SMEs into new, high value markets,
- Introduction of new technologies for SMEs,
- Stronger and more sustainable small and medium producer organizations, and
- New and sustainable technical and business services for SME's

The activities implemented under these cooperative agreements will be complemented by the activities in the first and third program components. Component (1) (strengthening laws, policies, and regulations that promote trade and investment) will be implemented primarily through expert technical services provided through a USAID Indefinite Quantity Contract (IQC) mechanism, and will focus on the needs of the Government of Guatemala to design and implement a wide range of policies and programs that contribute to economic competitiveness. Component (3) (promoting broader access to financial markets and services) will be implemented both through the use of Development Credit Authorities (DCA) and through limited direct assistance to the GoG in the implementation of GUATEINVIERTE. Taken as a whole, these three components are expected to result in an aggregate and measurable improvement in Guatemala's competitive position in world markets.

The focus of activities implemented under this RFA will be three sectors: (1) agriculture and agribusiness, (2) forest products, and (3) tourism. In addition to generating significant new opportunities for small and medium enterprises in rural Guatemala, it is expected that the cooperative agreements that are awarded will take advantage of local Guatemalan Non-Governmental Organization (NGO) outreach capacity and will result in stronger Guatemalan institutions and strengthened working relations between the private sector, NGO's, and the Government of Guatemala (GoG).

II. BACKGROUND

A. Problem Statement and Development Challenge

Guatemala stands out among Central American countries in the magnitude of both its economic potential and the challenges it faces in being able to realize that potential. While Guatemala enjoys abundant natural and cultural resources, and is the headquarters of many large Central American and multinational businesses, it also has one of the most fragmented economies in Latin America. Vast productive resources, including untapped human potential, are confined to a traditional, primarily rural economy; while business skills, higher education, and access to services are concentrated in a modern sector that is primarily urban.

Guatemala has an extremely high index of income inequality, which is not only an indication of inequity, but also of inefficient use of productive resources. Guatemala is physically segmented by its dramatic topography and a relatively poor transportation infrastructure that aggravates the problem of geographic isolation. Ethnic and language differences create additional social and economic barriers. With time, the barriers that separate segments of the Guatemalan economy have tended to become institutionalized. The modern sector is characterized by business and market networks that not only effectively organize businesses into industries but that also connect Guatemalan businesses to world markets. The traditional sector struggles to organize itself locally, and is infrequently connected to the modern Guatemalan sector, and rarely to world markets.

At the same time, however, Guatemala has natural and human resource bases well suited to competing in world markets, including high value agriculture, forestry, and tourism. Guatemala is endowed with a combination of soils and climate that are perfect for high value horticultural and coffee crops, Guatemalan forests are rich with hardwoods, and Guatemala combines a natural beauty with a fascinating archeological and cultural heritage. It is home not only to business leaders in the modern urban sector, but also to tens of thousands of "penny capitalists" in rural areas, people who understand well markets and commerce, if only on a small scale.

The increased globalization of commerce, and especially the Central American Free Trade Agreement (DR-CAFTA), provides an opportunity to significantly increase the rate of economic growth. To take advantage of the opportunities created through global markets, however, Guatemala needs to mobilize the productive potential of its rural areas. The challenge to the Guatemalan economy is to link the skills and world vision of the modern sector to the potential of the traditional sector, to extend the reach of institutions across segments of the economy, and to increase the access of rural farms and businesses to the skills and technologies that allow them to meet the standards of global markets.

During the week of October 3, 2005, Tropical Storm Stan ("Stan") left severe damage in parts of Guatemala, particularly in the most populated departments where the rural poor are concentrated. Stan led to severe flooding and more than 900 mudslides that in some cases buried entire villages. On October 5, 2005, the Government of Guatemala (GoG) declared a national disaster and the U.S. Ambassador to Guatemala issued a disaster declaration due to the magnitude of the damage caused. On October 7, 2005, the GoG officially

requested assistance from the international community. Farm and non-farm enterprises whose productive assets and processes were damaged or destroyed by Stan will require assistance to recover their livelihoods.

B. Relation to Policies and Programs of the Government of Guatemala

The principal economic challenges of Guatemala are increasing the levels of organization and integration of resources within sectors and industries. As described above, many of the problems that tend to segment and disorganize people and resources are so large and far reaching that they can only be adequately addressed by the Government. In fact, the Government of Guatemala has adopted a policy framework and has implemented programs that address these challenges very effectively; and, as outlined above, one of the program components of USAID S02 provides direct assistance to the GoG in the development and implementation of these policies and programs.

The umbrella GoG program, "Vamos Guatemala", incorporates the broad goals of the 1996 Peace Accords, and includes activities to achieve participatory socio-economic development and social inclusion, sustained economic growth, and improved government fiscal performance to increase government expenditures in health, education, security, and infrastructure.

"Vamos Guatemala" began with three components: "GuateSolidaria," to support participatory development and social harmony; "GuateCrece," to support sustained acceleration in economic growth rate; and "GuateCompite," to support the private sector's capacity to meet and surpass international standards of quality and competition. All three are developed within a context of macroeconomic stability, improved public administration, and personal security. More recently, the GoG has added two more components to "Vamos Guatemala:" "GuateVerde," to support environmentally sustainable growth; and "GuateInvierte," to support increased investment - especially in the rural economy.

The "GuateCrece" component of the strategy encourages increased public investment, increased private investment, and public-private alliances in key economic sectors, especially housing, infrastructure, tourism, finance, and forest products.

The fundamental objective of "GuateCompite" is to improve the capacity of Guatemalan businesses to meet and surpass international business standards. It focuses on export promotion; support and development of micro-, small, and medium enterprises; increases in productivity, innovation, and the investment climate; and consumer protection. The "GuateCompite" strategy describes four levels of objectives and activities: (1) promotion of a change in social values and attitudes to support increased national competitiveness; (2) promotion of foreign trade by the GoG; (3) public-private and business-to-business alliances to stimulate improved innovation, local growth poles, industry clusters, streamlined bureaucracy, port logistics, and national quality systems; and (4) proactive business strategies for competitive restructuring to meet competitive demands.

As a result of Tropical Storm Stan's damage, the GoG has re-oriented its "Program in Support of Economic Development through Local Efforts" towards the areas most affected by the disaster, to support income generation especially for the poor, rural, indigenous population. This GoG program will eventually be supported by an Inter-American Development Bank (IDB) and World Bank loan for \$60 million for the first three year phase of the program

(2006-2009). To respond to the reconstruction needs provoked by Stan, the GoG has decided to start implementation of the program in November, 2005. Applications to this RFA that include activities in the geographic areas affected by Stan are expected to work in close coordination with the GoG entities in charge of implementing this program.

While this RFA is explicitly focused on problems that can be resolved by the NGO and private business sector, it is essential that the activities of this RFA be implemented in ways that also support relevant GoG policies and programs. Proposed activities need, at minimum, to be consistent with GoG policies. To the degree possible, they should also specifically provide access to or leverage the resources of GoG programs, and should strengthen institutional and technical capacities needed for the successful implementation of relevant GoG programs.

Effective coordination of strategies and activities with the policies and programs of the GoG can be achieved in direct working relationships with the relevant Ministries and agencies, including the "Ministerio de Agricultura y Ganaderia" (MAGA), the "Consejo Nacional de Areas Protegidas" (CONAP), and the "Instituto Guatemalteco del Turismo" (INGUAT), and the "Secretario General de Planificación" (SEGEPLAN), for example. USAID has also chosen to develop a close working relationship with the PRONACOM, as an agency that represents one of the broadest and most inclusive strategic visions of Guatemalan competitiveness.

PRONACOM coordinates the implementation of the "GuateCompite" component of the GoG's "Vamos Guatemala" strategy. Its work is organized around the cluster concept and represents the road map for Guatemala's future improvements in competitiveness. PRONACOM coordinates initiatives and activities in five areas: (1) cluster development; (2) the business climate; (3) local competitiveness agendas; (4) investment promotion through "INVEST-in-Guatemala;" and (5) membership in the Mesoamerican Competitiveness Council ("Consejo Mesoamericano de Competitividad"), a Plan Puebla Panama initiative.

C. Relation to the USAID Strategic Objective

In addition to the cooperative agreements that USAID will make to selected Applicants based on this Request for Applications, USAID supports other projects in SO2 that assist the Government of Guatemala improve economic opportunities and the competitiveness of Guatemalan enterprises. For example, working closely with the National Competitiveness Program (PRONACOM), USAID will provide the GoG with expert technical services in laws, policies and regulations needed to strengthen Guatemala's competitiveness and export growth. USAID will also help the GoG improve its fiscal policies and tax collection through technical assistance to the Superintendent of Tax Administration (SAT) and the Ministry of Finance. USAID manages a food security program through cooperating agencies such as CARE, SHARE Guatemala, and Catholic Relief Services that provides technical assistance to subsistence and small-scale producers in agriculture and rural development and that is also related to the purposes of this Request for Applications.

For more information and background on USAID/G-CAP's economic growth program, please refer to the attached SO2 chapter from the USAID/G-CAP Country Program Strategy, 2004-2008.

III. PURPOSE

The purpose of the SO2 cooperative agreement(s) is to create a greater number of more competitive and market-oriented small and medium rural enterprises in agriculture, forestry, and tourism.

IV. PROGRAM DESCRIPTION

Applicants are expected to present creative approaches based on the accumulated experience of the institutions making the application and to support their proposed strategies and activities with sound technical analysis. Proposed activities should concentrate on increasing the capacity of small and medium size firms to compete in local, regional and global markets, taking advantage of income opportunities to consolidate existing and create new enterprises, generate new revenues, and create new employment.

A. General Themes

In presenting proposals, the applicants should take into account the following general themes of importance to USAID. It is understood that no proposal will be entirely responsive to all of the themes.

1. Income and Employment Generation in Disaster-Affected Areas

The enterprises—small, medium, and large—and communities that lost their productive assets as a result of Tropical Storm Stan will need assistance to recover their livelihoods and continue growth. Applicants who propose to work in geographic areas damaged by Stan are expected to devote a significant share (no less than 25 percent of total resources) of their resources to assist the recovery of business enterprises in those areas and their re-entry into national and international markets.

2. Access to Higher Value Markets

Guatemala has an increasing number of higher value market options in agribusiness, tourism, and forestry, many of which can offer good income opportunities to small- and medium-scale farmers, producers, and enterprises. These include regional and local markets in addition to global export markets. The challenge in most cases for the small producer is to understand and comply with quality standards, certifications, and business practices for these markets. Access, therefore, implies more than simply knowing that the market opportunity exists, but also means that the small producer is able to meet the specific demands of buyers or customers year after year. Frequently, compliance with international standards is critical, but ability to meet timing and volume requirements or to maintain adequate records is equally necessary to stay in business. Applicants should provide a clear analysis of market opportunities and potential, and should describe how small producers will be assisted in understanding and complying with quality standards, certifications, and business practices demanded by the market.

3. Broad Horizontal and Vertical Participation in Value Chains

Broad business, and sometimes community, participation in the value chain is an essential component of building dynamic and competitive industry clusters. It is important to effectively engage larger businesses and investors in building commercial linkages with a broad range of private and community

interests to create opportunities for smaller enterprises and rural populations to respond to and participate in robust clusters which contribute to broad-based rural economic growth. Applicants should describe how their proposed activities will create and/or strengthen horizontal and vertical linkages between larger, more modern and sophisticated businesses and smaller, more traditional rural enterprises.

4. Improved Access to Business Services

A critical aspect of increasing the competitiveness of small- and medium-scale enterprises in the clusters is increasing access to business development and financial services. New and growing enterprises require timely access to information and advice regarding: the application of new technologies; improved business organization, financial management, and marketing; the application of international norms and standards; and financial (credit, savings, and transaction) services. This helps them make more informed investment decisions, develop realistic business plans to respond to emerging market opportunities, and better manage their finances. Therefore, Applicants are expected to describe how their activities will facilitate broad, sustainable access by small and medium scale producers and firms to such advice and assistance.

The USAID SO2 Team recognizes the enormous potential demand for access to business development and financial services. One of the challenges Applicants face is to provide access to entrepreneurs capable of making effective use of these services to increase their competitiveness and establish and grow their businesses. The effective use of USAID resources to achieve sustainable results requires that potential beneficiaries quantify and prioritize their demand for such services as indicated by their willingness to pay some share of the cost of providing those services. Applicants are expected to describe how they will incorporate cost-sharing and fee-for-service mechanisms in their assistance, to help establish the sustainable delivery of business development and financial services.

5. Administrative and Organizational Strengthening

The SO2 target beneficiaries are expected to include small-scale producers, producer organizations, and service providers for whom market access usually means organization into a business group or cooperative. These groups often need administrative and organizational strengthening to reach an operational scale to effectively participate in the markets for agriculture, forestry and tourism products and services. Applicants should have proven experience in working with groups of small scale-producers and entrepreneurs in Guatemala, and should describe how the proposed activities will strengthen or support producer organizations. The assistance provided through this Request for Applications is also expressly directed at strengthening the capacity of Guatemalan technical service providers to provide those services that will be sustainable after USAID assistance to those organizations is completed.

6. Sustainable Use of Natural and Cultural Resources

As articulated in "GuateVerde", Guatemala's competitive and development future is inextricably linked to its natural and cultural heritage resources, and competitive industry clusters depend upon the sustainable management and use of these resources to support economic growth. Therefore, Applicants are expected to describe how their activities will incorporate sustainable natural and cultural resource use and management concepts in cluster

development. In light of Tropical Storm Stan's damaging effects, it is necessary to support sustainable environmental management practices in agricultural land, water, and forest resources.

7. Alliances

As the term is used by USAID, an alliance is an agreement between two or more parties to jointly define a development problem and jointly contribute to its solution. Alliance members share resources, risks, and rewards in pursuit of a development objective that can be better achieved working together. An alliance achieves its development objective by leveraging significant resources, applying proven development expertise, and working jointly with new and existing partners, often using innovative approaches.

Facilitating innovative and creative responses to market opportunities, incorporating the above themes, requires active investor and buyer participation in the formation of business partnerships and commercial alliances within the clusters. Recent USAID experience in promoting business partnerships and alliances has demonstrated that the most effective use of USAID funds is as leverage for resources from other partners to help establish sustained economic growth, rather than using those funds to simply finance recurrent operational costs.

Therefore, Applicants are expected to incorporate alliances and partnerships with non-traditional partners, private businesses and development organizations as a key component of activity implementation and results achievement. Specifically, Applicants are expected to describe the organizational and operational modalities of the alliances, the role and responsibilities of each alliance partner, and their commitments to providing leverage (financial and in-kind services) to the effort. Applicants and their alliance partners are expected to provide leverage to SO2 resources in a proportion of at least 1:1, including cash leveraging. Leverage, which can be defined as contributions/investments that contribute substantially to the achievement of results, may include such things as joint ventures and commercial partnerships. It does not include pre-existing sales contracts or purchase agreements.

B. Key Industry Clusters

The following is a general description of illustrative activities, target beneficiaries, geographic focus, alliance linkages, and Government of Guatemala involvement as they apply to each of the key industry clusters.

1. Agriculture and Agri-business

In order to spur rural income growth and contribute to poverty alleviation, agricultural production must meet domestic demand and grow significantly faster than the rural population by means of exports. Agriculture is extremely important in areas such as the Guatemalan Altiplano since it generates the income necessary to increase demand for non-farm production. For the most part, the economies of Central America still rely heavily on the agricultural sector as a source of rural employment and income generation. Producers must meet higher standards for quality, volume, and delivery in order to take advantage of market opportunities and penetrate new markets.

Illustrative Activities: Activities are expected to expand access to business development services to help farmers and small-scale producers

strategically target and sell their products to supermarkets, food service firms, specialized wholesalers, and food processing firms regionally and internationally. Specific activities are expected to include, but are not necessarily limited to, the provision of technical assistance and training to producers and producer organizations to improve the quantity, quality, and product safety of selected non-traditional agricultural products, including specialty coffee. Applicants are encouraged to incorporate approaches that increase market access for small-scale producers, facilitate the formation and consolidation of market-oriented farmer organizations as a means of consolidating supply, and encourage and support the adoption of good agricultural practices, food safety, and norms and standards (both private and public). Applicants are also encouraged to work with municipal governments and local NGOs in implementing sustainable management practices in agricultural land and forests, promoting sustainable land management practices, and implementing payments for environmental services such as payments by "downstream" beneficiaries of watersheds to "upstream" communities that maintain the watershed. Specific activities are expected to include, but not necessarily be limited to, technical assistance and training to improve business organization and administration (e.g., business planning, financial management, and administration) of rural enterprises.

Target Beneficiaries: The target beneficiaries for SO2 include small-scale commercial producers, producer associations, farmers, and non-farm rural enterprises who are transitioning to market-oriented commercial production.

Geographic Focus: Applicants are expected to focus agriculture and agri-business activities in, but not necessarily limit them to, the Western and Central Highlands, the Verapaces, and southern Petén.

Alliance Linkages: Applicants are expected to incorporate alliance linkages and partnerships in agriculture and agri-business with entities such as supermarket chains, food service firms, specialized wholesalers, exporters, and food processing firms regionally and internationally.

GoG Involvement: The principal Government of Guatemala counterparts in agriculture and agri-business include MAGA, PRONACOM, the Ministry of Economy (MINECO), and the Cabinet for Rural Development. Applicants are expected to describe how these counterparts and their programs will be involved in activity implementation.

2. Forestry

USAID has long supported efforts to improve the sustainable management of the Multiple Use Zone of the Mayan Biosphere Reserve (MBR). During the past two years USAID activities have concentrated on establishing the community forestry concessions as sustainable enterprises. Support has included helping the concessions obtain certification of sustainable forest management. Communities have seen the benefits of being certified by being able to export higher-value timber and timber products to the United States, Europe and the Caribbean. USAID has also provided technical assistance and support to help FORESCOM, a corporation formed by the initiative of the concessionaires, provide its members with critical services, consolidate supply, market certified timber and non-timber forest products. The process of providing concessionaires and FORESCOM with advice and assistance in areas such as forest management, timber marketing, and financial planning and administration to build their capability to respond to market opportunities is relatively young, and needs to be consolidated as the cluster grows.

There are also opportunities to expand assistance to community concessions, helping them structure and manage commercial activities and increase income and value-added opportunities consistent with their commitment and obligation to maintain existing forest cover. In addition, the forestry concession system could be adapted to municipalities that own large forested areas.

Illustrative Activities: Activities are expected to help commercialize the community forestry concessions, FORESCOM, and other forest management efforts as sustainable business enterprises, build their capacity to improve timber and non-timber marketing, maintain product certification, comply with market standards, add value to their products, and maintain the sustainability of the forest. Specific activities are expected to include, but are not necessarily limited to, technical assistance and training to improve business organization and administration (i.e., business planning, financial management, administration); improve forest management practices, including road planning and management; obtain certifications and make the certification process sustainable; increase access to higher-value markets for certified timber (especially for lesser-known species); increase collaboration with commercial partners and strategic alliances; and generate additional revenues from certified non-timber forest products. Applicants are expected to link access to services with community efforts to improve sustainable natural and cultural resource management and biodiversity conservation.

Target Beneficiaries: The target beneficiaries for this activity are expected to include, but are not necessarily limited to, the community forestry concessions in the Multiple Use Zone of the Mayan Biosphere Reserve (MBR), FORESCOM, community forestry enterprises in community and municipal concessions inside and outside the MBR Buffer Zone, and other forest management efforts.

Geographic Focus: Applicants are expected to focus forestry cluster activities in, but not necessarily limit them to, the Multiple Use and Buffer Zones of the Mayan Biosphere Reserve in the Petén, and forest areas managed in the Verapaces and the Western and Central Highlands.

Alliance Linkages: Applicants are expected to incorporate alliance linkages and partnerships in the forestry cluster with entities such as privately-owned certified sawmills and wood processing enterprises, and local and international buyers of certified timber and non-timber forest products.

GoG Involvement: The principal Government of Guatemala counterparts in the forestry cluster are CONAP, the "Instituto Nacional de Bosques" (INAB), PRONACOM, and, less directly, the Ministry of Culture and Sports (MICUDE), the "Instituto de Antropología e Historia" (IDAEH), INGUAT, and the Rural Development Cabinet. Applicants are expected to describe how these counterparts and their programs will be involved in activity implementation.

Coordination with other initiatives: Applicants are also expected to describe how their proposed approaches will relate to the "Programa de Incentivos Forestales" (PINFOR) and the "Certified Sustainable Products Alliance" between USAID and the Rainforest Alliance.

3. Tourism

The Guatemalan National Tourism Strategy developed in 2000 recognizes the importance of tourism as a generator of employment and income, its favorable effect on the preservation of Guatemala's natural and cultural heritage, and the latent but significant potential of Guatemala as a tourist destination of international quality. The strategy is built around an effective partnership between the private and public sectors, respect for the different ethnic groups, the participation of local communities in the benefits of tourism, the promotion of the national intercultural identity, the conservation of Guatemala's unique biodiversity, and the conservation of the Guatemalan cultural heritage. In the short-term the goal is to strengthen and consolidate the more traditional tourist destinations and products, while diversifying the packages being offered to tourists, by providing new products in areas close to the sites traditionally visited -the Highlands (Sololá, Panajachel, Chichicastenango, and Quetzaltenango), Petén (Flores, Tikal, and Sayaxché), the Verapaces (Cobán and Salama), and the South Coast. The idea is not to attract a massive influx of "sea and sand" tourists, but instead to appeal to a more specialized market focused on Guatemala's cultural and natural resources. Tourists have traditionally come from the United States, Mexico, the United Kingdom, France, Spain, Germany, Italy and Central America. With a further focus on market segmentation and sub-segmentation, marketing efforts will also focus on the Southern Cone countries of Brazil, Argentina and Chile; Switzerland, Belgium and Holland in Europe; Canada; and the potential markets of Japan, China and Russia.

Within this context, Guatemala needs to harness the income generating potential of "niche" tourism based on the natural and cultural diversity of rural communities, as well as tourism, in general, at a more competitive level. The cultural variety and unique biodiversity of Guatemala, together with the new archaeological explorations at Cancuen and elsewhere, offer considerable potential for growth in the tourist sector.

Under the previous strategy, USAID supported activities in a series of tourism locations that offer potential for tourists to extend their standard tours to Antigua, Chichicastenango, Atitlán, Rio Dulce, and Tikal, and spend additional time in Guatemala. The ability of communities to manage national cultural and natural resource assets in a financial and environmentally sustainable fashion was also strengthened. A major policy achievement was to leverage three different types of community concessions from the GoG: a) the forestry concessions in the Mayan Biosphere Reserve with CONAP; b) the Candelaria Caves cultural patrimony with IDAEH, and c) the Jaguar Corridor communities with "Fondo de Tierras" (FONTIERRAS). Each of these concessions is at a different stage of financial and environmental sustainability. Their biggest requirement is effective promotion and marketing. Future efforts need to focus on promoting a greater understanding of the demand side of the tourism equation and on making these community concessions fully functional.

Illustrative Activities: Activities are expected to help increase economic incentives for improved natural and cultural resource management and conservation, facilitate broad-based community and small business participation in providing tourism services, promote destinations with multiple sites, and increase sales of locally produced handicrafts to tourists. Specific activities are expected to include, but are not necessarily limited to, technical assistance and training to develop economically viable and ecologically sustainable tourism service enterprises;

improve the business and financial management of such enterprises; facilitate the formation of municipal and community tourism associations; support destination marketing campaigns; leverage alliances and funds for major investments; and expand the application of international tourism standards and certification to the design of new facilities and the upgrading of already existing facilities. Applicants are also expected to link access to services with community efforts to improve sustainable natural and cultural resource management and biodiversity conservation.

Artesanal products, as a subset of tourism, have potential as a source of employment and sales if the necessary marketing assistance is provided to improve quality and design. Proposed activities should build on the work carried out to date as follows, including but not necessarily limited to, technical assistance and training to artisan associations to improve the design, quantity and quality of handicrafts with immediate demand in tourist markets; and increased access to business development services to help artisans strategically target and sell to local and regional tourist markets.

Target Beneficiaries: The target beneficiaries for this activity are expected to include community-managed tourism enterprises, small-scale tourism service providers (e.g., hotels, restaurants, guides, and transport services), tour operators, small-scale producers and sellers of local handicrafts, and community and municipal tourism associations and organizations.

Geographic Focus: Applicants are expected to focus tourism activities in, but not necessarily limit them to the Western and Central Highlands, the Verapaces, and the Mayan Biosphere.

Alliance Linkages: Applicants are expected to incorporate alliance linkages and partnerships in the tourism cluster with entities such as regional and international travel agencies, tour operators, tourism service providers, local investors, and certification organizations.

GoG Involvement: The principal Government of Guatemala counterparts for tourism are INGUAT, MICUDE, IDAEH, PRONACOM, and CONAP. Applicants are expected to describe how these counterparts and their programs will be involved in activity implementation.

C. Expected Results

As previously stated, the performance orientation of SO2 program emphasizes the achievement of tangible, sustainable results. Expected results for the SO2 program by the end of the strategy period (September 2009) include:

1. New sales of \$100 million in goods and services (cumulative) generated as a result of USAID programs, of which:
 - New sales of \$20 million in environmentally certified goods and services (cumulative) generated as a result of USAID programs.
 - \$1 million in tourism revenues generated annually as a result of USAID programs.
2. 20,000 new jobs created (cumulative) as a result of USAID programs.

3. 400,000 hectares of land maintained under environmental certification, and an additional 100,000 hectares certified (cumulative) as a result of USAID programs.
4. Populations of keystone and indicator species maintained in critical areas (biodiversity indicator). Note that changes in biodiversity will be measured through an award to a separate grantee.
5. Recipients who work in areas damaged by Stan devote no less than 25 percent of combined USAID and Applicant assistance to assist the recovery of enterprises in those areas affected by Stan.

Activities undertaken by Applicants must contribute, either directly or indirectly, to the achievement of these results. Specific indicators and annual targets for the SO2 program are described in the SO2 Performance Monitoring Plan. Within these parameters, Applicants are expected to quantify the specific results that will be achieved and describe how they will achieve them. Applicants should take note of the kinds of "intermediate" results that USAID expects them to work towards and achieve that will contribute directly to the achievement of the expected end results of the SO2 program described above. That is:

- New small and medium enterprises (SMEs),
- New partnerships and business alliances involving SMEs,
- Expansion of existing SMEs into new, high value markets,
- Introduction of new technologies for SMEs,
- Stronger and more sustainable small and medium producer organizations, and
- New and sustainable technical and business services for SMEs

The selected Applicants will be required to develop results targets in consultation with USAID during preparation of the activities' initial workplans.

V. PERFORMANCE MONITORING

The SO2 Performance Monitoring Plan (attached to this RFA) provides the overall framework for measuring and monitoring results achievement. Applications are expected to include a preliminary Performance Management Plan which includes the principal indicators, baselines and targets for the results which are expected to be achieved over the program period.

In addition, the Recipient(s) will be required to develop, in coordination with USAID/G-CAP, a specific Performance Management Plan (PMP) in English and Spanish (three originals and one electronic copy) in accordance with the Strategic Objective PMP for the complete award period, and submit it to USAID/G-CAP for review and approval within 90 days of Agreement signature.

The PMP will contain the specific performance indicators that the Recipient(s) will use to objectively measure progress towards the achievement of the results described in the Program Description, with definition and unit of measure, as well as baselines and targets (annual and end-of-program). Indicators shall be disaggregated by sex, ethnicity and age wherever significant differences exist between these categories. Once approved, the PMP will provide the basis for Recipient progress reporting throughout the life of the Agreement. The PMP shall clearly describe the data collection

methods, data sources, time-frame, and cost of data acquisition. The Recipient(s) shall apply USAID criteria for selecting performance indicators--that is, that they be direct, objective, practical, adequate, management useful, reflect progress toward results achievement, and attributable to USAID-supported activities (except for context indicators). The Recipient(s) must also pay attention to the data collection process to ensure that quality data are collected and available to inform management decisions. The key criteria for assessing the quality of performance data are: validity, reliability, timeliness, precision, and integrity. Each indicator (except for those for which the answer is yes/no) should have a Data Quality Assessment performed every three years. Annual performance reviews will be based on the indicators, benchmarks and targets set forth in the PMP, and the data collected will be coordinated with USAID's annual reporting process.

VI. PERIOD OF THE COOPERATIVE AGREEMENTS AND REQUIRED REPORTS

The following describes the period of the Cooperative Agreements and reporting requirements:

- A. Duration:** The duration of the Cooperative Agreements will be approximately 45 months, beginning with the date of award through September 30, 2009.
- B. Reporting Requirements:** The Recipient will be required to submit the documents and reports as described below:

1. Annual Work Plans

Annual Work Plans will be developed in Spanish or English in consultation with the USAID/G-CAP SO2 Team, counterparts, and implementing partners. Each Annual Work Plan will describe the objectives and specific targets to be achieved during the period, the tasks to be undertaken and/or completed, and budget requirements. Annual Work Plans will be submitted to USAID/G-CAP for review and approval. The first annual work plan will be submitted to USAID/G-CAP within 90 days of the award, and will cover the period through September 30, 2006. Subsequent annual work plans will cover fiscal years, and must be submitted by August 15th (e.g., August 15, 2006 for the FY 2007 work plan).

2. Annual Reports

The Recipients will submit Annual Reports to USAID/G-CAP in English and Spanish (3 originals and 1 electronic copy) by September 30 of the year covered. Annual Reports will be reviewed by USAID/G-CAP as part of the process of reviewing and approving Annual Work Plans. Annual Reports will describe:

- a. the extent to which objectives and targets contained in the Annual Work Plan have been achieved;
- b. significant implementation problems encountered during the year;
- c. actions taken to resolve problems;
- d. environmental compliance required as indicated in the USAID Environmental Threshold Decision.
- e. observations and recommendations to improve implementation in the future.

Annual Reports are not to exceed 50 pages in length, including an Executive Summary not to exceed 5 pages in length. An English version of the Executive Summary will also be provided. Additional supporting information may be included in Annexes to the report.

3. Quarterly Reports

The Recipients will submit quarterly progress reports in Spanish (3 originals and 1 electronic copy) following the same outline as the Annual Report. These reports will be used to update and inform USAID/G-CAP and the Government of Guatemala on program progress. Quarterly Reports should not exceed 10 pages in length, and should be submitted within 15 days of the end of the quarter (December 31, March 31 and June 30). Since Annual Reports will be submitted by September 30 of each year in question, Quarterly Reports will not be required for the quarter ending September 30.

4. Final Report

The Recipient will submit a Final Report within 90 calendar days after the completion of the Award covering the results accomplished during the life of the Award. The Final Report shall include final results for each of the indicators established in the Award, and a section on lessons learned. Three originals and an electronic copy of the Final Report in both English and Spanish shall be submitted to USAID/G-CAP's CTO.

One copy of technical reports, in English, shall be sent to USAID's Development Experience Clearinghouse (DEC) in either electronic (preferred) or paper form to one of the following: (A) Via E-mail: docsubmit@dec.cdie.org; (B) Via U.S. Postal Service: Development Experience Clearinghouse, 8403 Colesville Road, Suite 210, Silver Spring, MD 20910, USA; (C) Via Fax: (301) 588-7787; or (D) Online: <http://www.dec.org/index.cfm?fuseaction=docSubmit.home>.

The Recipient shall also include in the progress reports a list of all documents submitted during the reporting period to CDIE and a list of all in country training events performed during the reporting period. This report shall include at a minimum: name of the trainee program, field of study, relationship to the objectives of this Cooperative Agreement, start and end dates, estimated cost (USAID's cost and partner's cost disaggregated by instruction, trainee, and travel) and number of male and female participants."

5. Financial Reports

The Recipient will submit estimated annual budget requirements as part of the Annual Work Plan. The Recipient will provide the USAID/G-CAP Financial Management Office (FMO) and Cognizant Technical Officer (CTO) with quarterly expenditure reports (using Standard Form 269) within 30 days of the end of the quarter, and an annual expenditure report within 30 days of the end of the fiscal year.

6. Periodic Reports

The Recipient will immediately notify USAID/G-CAP in writing if a significant problem arises which jeopardizes achievement of the grant purpose and requires immediate attention.

VII. SUBSTANTIAL INVOLVEMENT

USAID/G-CAP will be substantially involved with the Recipients during the performance of the Cooperative Agreements to ensure that implementation proceeds as planned and is consistent with the Mission's Strategic Objectives. USAID/G-CAP's substantial involvement will include:

- A. Approval of Key Personnel:** The Recipient is required to obtain USAID/G-CAP's approval prior to the appointment and/or replacement of key personnel. At a minimum, key personnel for the purpose of this Agreement will consist of the individual designated as Program Manager by the Recipient.
- B. Approval of Annual Work Plans:** The Recipient is required to submit Annual Work Plans (including estimated expenditure information) to USAID/G-CAP for review and approval. Submission of the first Annual Work Plan will take place within 90 days of the signature of the Agreement, and will include activities to be undertaken during the period from award through September 30, 2006. Subsequent Annual Work Plans must be submitted in conjunction with Annual Reports by the end of the Fiscal Year (September 30).
- C. Approval of a Performance Monitoring Plan:** The Recipient is required to submit a draft Performance Monitoring Plan for USAID/G-CAP review and approval concurrently with the submission of the first Annual Work Plan. The Performance Monitoring Plan will contain the impact indicators that the Recipient proposes to use to measure the contribution of the program to the achievement of the SO2, as well as any process indicators, baselines and targets that the Recipient believes are relevant for this purpose. Once approved this plan will provide the basis for the Recipient's impact reporting throughout the life of the Cooperative Agreement. Program's indicators shall be tracked on a quarterly basis, except those requiring special data collections as specified in Section IV Part A. The Recipient shall report on performance as part of the Quarterly Report, due within 15 days of the end of each quarter.

IX. OTHER CONSIDERATIONS

A. Ethnicity and Gender

Applicants are expected to identify and analyze ethnic and gender issues that need to be considered during implementation in consideration of the following two questions:

1. Are indigenous groups and women/men involved or affected differently by the context or work to be undertaken?
2. If so, is this difference an important factor in managing for sustainable program results?

Applications are expected, to describe how the issues identified will be addressed during implementation, and how the results achieved by the activity are expected to impact both indigenous groups and women/men.

B. Environment

The Initial Environmental Examination (IEE) for SO2 provided a **Categorical Exclusion** for technical assistance, analyses, studies, academic or research workshops and meetings, education, training, and others as identified in the IEE that will not have an impact on the environment, and a **Negative Determination with Conditions** for activities under IR 2. Therefore, Recipients will be required to develop an Initial Environmental Examination (IEE) for the activity, following USAID guidelines in identifying mitigation measures and developing environmental mitigation plans. Construction plans and any proposed monitoring procedures shall be submitted to the Mission Environmental Officer for review and approval before commencing these activities. Environmental mitigation plans will be developed using USAID's "Environmental Guidelines for Development Activities in Latin America." The most relevant chapters for the proposed activities are Chapter 2: Small-Scale Infrastructure; Chapter 4: Microfinance and Micro- and Small Enterprises; and Chapter 7: Ecotourism.

In addition, the SO2 IEE provided a **Deferral** for all activities involving pesticide purchase or use, including training, per 22 CFR 216.3(a)(7), 22 CFR 216.3.(a)(1)(iii) and 22 CFT 216.3(b)(1)(i). Therefore, Recipient IEEs must evaluate the economic, social and environmental risks and benefits of planned pesticide use (PERSUAP), which will be submitted and approved by the LAC Bureau Environment Officer prior to commencing any assistance for the procurement or use of pesticides. Costs to comply with the above requirements will be included in the budget submitted with the application.

X. ESTIMATED AMOUNT

USAID expects to provide a total of \$8,000,000, contingent upon funds availability, for the Cooperative Agreements to be awarded under this program. USAID expects to make multiple Cooperative Agreements to implement this program. The estimated amounts available for activities in each of the clusters are as follows:

Agriculture:	\$4,000,000
Forestry:	\$2,000,000
Tourism:	\$2,000,000

It is possible that SO2 will receive increased funding beginning in Fiscal Year 2007 (October 2006 - September 2007) for activities that support rural households and enterprises make the economic transition to more open and freer trade under DR-CAFTA. If this is the case, it is likely that awards made to applicants will be increased from the above estimated amounts, or additional awards will be made, as a result of the increased funding assigned to SO2.

The USAID SO2 Team believes that operational focus is critical to the achievement of significant results, that the institutional and technical expertise is often concentrated in a single cluster, and that complex organizational and management structures can constrain flexibility and performance. USAID/G-CAP understands that competitiveness issues and approaches, service delivery mechanisms, potential beneficiaries, and geographic focus issues may lead to activities which are multi-cluster in their orientation.

In consideration of the above, Applicants are at liberty to propose working in single or multiple clusters as they and their alliance partners see fit.

**SECTION IV CERTIFICATIONS, ASSURANCES, AND OTHER STATEMENTS OF
RECIPIENT [1][2]
U.S. AGENCY FOR INTERNATIONAL DEVELOPMENT**

PART I - CERTIFICATIONS AND ASSURANCES

1. ASSURANCE OF COMPLIANCE WITH LAWS AND REGULATIONS GOVERNING NON-DISCRIMINATION IN FEDERALLY ASSISTED PROGRAMS

(a) The recipient hereby assures that no person in the United States shall, on the bases set forth below, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under, any program or activity receiving financial assistance from USAID, and that with respect to the grant for which application is being made, it will comply with the requirements of:

(1) Title VI of the Civil Rights Act of 1964 (Pub. L. 88-352, 42 U.S.C. 2000-d), which prohibits discrimination on the basis of race, color or national origin, in programs and activities receiving Federal financial assistance;

(2) Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), which prohibits discrimination on the basis of handicap in programs and activities receiving Federal financial assistance;

(3) The Age Discrimination Act of 1975, as amended (Pub. L. 95-478), which prohibits discrimination based on age in the delivery of services and benefits supported with Federal funds;

(4) Title IX of the Education Amendments of 1972 (20 U.S.C. 1681, et seq.), which prohibits discrimination on the basis of sex in education programs and activities receiving Federal financial assistance (whether or not the programs or activities are offered or sponsored by an educational institution); and

(5) USAID regulations implementing the above nondiscrimination laws, set forth in Chapter II of Title 22 of the Code of Federal Regulations.

(b) If the recipient is an institution of higher education, the Assurances given herein extend to admission practices and to all other practices relating to the treatment of students or clients of the institution, or relating to the opportunity to participate in the provision of services or other benefits to such individuals, and shall be applicable to the entire institution unless the recipient establishes to the satisfaction of the USAID Administrator that the institution's practices in designated parts or programs of the institution will in no way affect its practices in the program of the institution for which financial assistance is sought, or the beneficiaries of, or participants in, such programs.

(c) This assurance is given in consideration of and for the purpose of obtaining any and all Federal grants, loans, contracts, property, discounts, or other Federal financial assistance extended after the date hereof to the recipient by the Agency, including installment payments after such date on account of applications for Federal financial assistance which were approved before such date. The recipient recognizes and agrees that such Federal financial assistance will be extended in reliance on the representations and

agreements made in this Assurance, and that the United States shall have the right to seek judicial enforcement of this Assurance. This Assurance is binding on the recipient, its successors, transferees, and assignees, and the person or persons whose signatures appear below are authorized to sign this Assurance on behalf of the recipient.

2. CERTIFICATION REGARDING LOBBYING

The undersigned certifies, to the best of his or her knowledge and belief, that:

(1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment or modification of any Federal contract, grant, loan, or cooperative agreement.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure of Lobbying Activities," in accordance with its instructions.

(3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, United States Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

Statement for Loan Guarantees and Loan Insurance

The undersigned states, to the best of his or her knowledge and belief, that: If any funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this commitment providing for the United States to insure or guarantee a loan, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions. Submission of this statement is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required statement shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

3. PROHIBITION ON ASSISTANCE TO DRUG TRAFFICKERS FOR COVERED COUNTRIES AND INDIVIDUALS (ADS 206)

USAID reserves the right to terminate this [Agreement/Contract], to demand a refund or take other appropriate measures if the [Grantee/ Contractor] is found to have been convicted of a narcotics offense or to have been engaged in drug trafficking as defined in 22 CFR Part 140. The undersigned shall review USAID ADS 206 to determine if any certification are required for Key Individuals or Covered Participants.

If there are COVERED PARTICIPANTS: USAID reserves the right to terminate assistance to, or take or take other appropriate measures with respect to, any participant approved by USAID who is found to have been convicted of a narcotics offense or to have been engaged in drug trafficking as defined in 22 CFR Part 140.

The recipient has reviewed and is familiar with the proposed grant format and the applicable regulations, and takes exception to the following (use a continuation page as necessary):

Solicitation No. _____

Application/Proposal No. _____

Date of Application/Proposal _____

Name of Recipient _____

Typed Name and Title _____

Signature _____ Date _____

[1] FORMATS\GRNTCERT: Rev. 06/16/97 (ADS 303.6, E303.5.6a) [2] When these Certifications, Assurances, and Other Statements of Recipient are used for cooperative agreements, the term "Grant" means "Cooperative Agreement". [3] The recipient must obtain from each identified subgrantee and (sub)contractor, and submit with its application/proposal, the Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion -- Lower Tier Transactions, set forth in Attachment A hereto. The recipient should reproduce additional copies as necessary. [4] See ADS Chapter E303.5.6a, 22 CFR 208, Annex1, App A. [5] For USAID, this clause is entitled "Debarment, Suspension, Ineligibility, and Voluntary Exclusion (March 1989)" and is set forth in the grant standard provision entitled "Debarment, Suspension, and Related Matters" if the recipient is a U.S. nongovernmental organization, or in the grant standard provision entitled "Debarment, Suspension, and Other Responsibility Matters" if the recipient is a non-U.S. nongovernmental organization.

4. KEY INDIVIDUAL CERTIFICATION NARCOTICS OFFENSES AND DRUG TRAFFICKING

I hereby certify that within the last ten years:

1. I have not been convicted of a violation of, or a conspiracy to violate, any law or regulation of the United States or any other country concerning narcotic or psychotropic drugs or other controlled substances.

2. I am not and have not been an illicit trafficker in any such drug or controlled substance.

3. I am not and have not been a knowing assistor, abettor, conspirator, or colluder with others in the illicit trafficking in any such drug or substance.

Signature: _____

Date: _____

Name: _____

Title/Position: _____

Organization: _____

Address: _____

Date of Birth: _____

NOTICE:

1. You are required to sign this Certification under the provisions of 22 CFR Part 140, Prohibition on Assistance to Drug Traffickers. These regulations were issued by the Department of State and require that certain key individuals of organizations must sign this Certification.

2. If you make a false Certification you are subject to U.S. criminal prosecution under 18 U.S.C. 1001.

5. PARTICIPANT CERTIFICATION NARCOTICS OFFENSES AND DRUG TRAFFICKING

1. I hereby certify that within the last ten years:

a. I have not been convicted of a violation of, or a conspiracy to violate, any law or regulation of the United States or any other country concerning narcotic or psychotropic drugs or other controlled substances.

b. I am not and have not been an illicit trafficker in any such drug or controlled substance.

c. I am not or have not been a knowing assistor, abettor, conspirator, or colluder with others in the illicit trafficking in any such drug or substance.

2. I understand that USAID may terminate my training if it is determined that I engaged in the above conduct during the last ten years or during my USAID training.

Signature: _____

Name: _____

Date: _____

Address: _____

Date of Birth: _____

NOTICE:

1. You are required to sign this Certification under the provisions of 22 CFR Part 140, Prohibition on Assistance to Drug Traffickers. These regulations were issued by the Department of State and require that certain participants must sign this Certification.

2. If you make a false Certification you are subject to U.S. criminal prosecution under 18 U.S.C. 1001.

FORMATS\GRNTCERT: Rev. 06/16/97 (ADS 303.6, E303.5.6a) When these Certifications, Assurances, and Other Statements of Recipient are used for cooperative agreements, the term "Grant" means "Cooperative Agreement". The recipient must obtain from each identified subgrantee and (sub)contractor, and submit with its application/proposal, the Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion -- Lower Tier Transactions, set forth in Attachment A hereto. The recipient should reproduce additional copies as necessary. See ADS Chapter E303.5.6a, 22 CFR 208, Annex1, App A. For USAID, this clause is entitled "Debarment, Suspension, Ineligibility, and Voluntary Exclusion (March 1989)" and is set forth in the grant standard provision entitled "Debarment, Suspension, and Related Matters" if the recipient is a U.S. nongovernmental organization, or in the grant standard provision entitled "Debarment, Suspension, and Other Responsibility Matters" if the recipient is a non-U.S. nongovernmental organization.

6. CERTIFICATION REGARDING MATERIAL SUPPORT AND RESOURCES

By signing and submitting this application, the prospective recipient provides the certification set out below:

1. The Recipient, to the best of its current knowledge, did not provide, within the previous ten years, and will take all reasonable steps to ensure that it does not and will not knowingly provide, material support or resources to any individual or entity that commits, attempts to commit, advocates, facilitates, or participates in terrorist acts, or has committed, attempted to commit, facilitated, or participated in terrorist acts, as that term is defined in paragraph 3.

2. The following steps may enable the Recipient to comply with its obligations under paragraph 1:

a. Before providing any material support or resources to an individual or entity, the Recipient will verify that the individual or entity does not (i) appear on the master list of Specially Designated Nationals and Blocked Persons, which list is maintained by the U.S. Treasury's Office of Foreign Assets Control (OFAC) and is available online at OFAC's website :

<http://www.treas.gov/offices/eotffc/ofac/sdn/tl1sdn.pdf>, or (ii) is not included in any supplementary information concerning prohibited individuals or entities that may be provided by USAID to the Recipient.

b. Before providing any material support or resources to an individual or entity, the Recipient also will verify that the individual or entity has not been designated by the United Nations Security (UNSC) sanctions committee established under UNSC Resolution 1267 (1999) (the "1267 Committee") [individuals and entities linked to the Taliban, Usama bin Laden, or the Al Qaida Organization]. To determine whether there has been a published designation of an individual or entity by the 1267 Committee, the Recipient should refer to the consolidated list available online at the Committee's website:

<http://www.un.org/Docs/sc/committees/1267/1267ListEng.htm>.

c. Before providing any material support or resources to an individual or entity, the Recipient will consider all information about that individual or entity of which it is aware and all public information that is reasonably available to it or of which it should be aware.

d. The Recipient also will implement reasonable monitoring and oversight procedures to safeguard against assistance being diverted to support terrorist activity.

3. For purposes of this Certification-

a. "Material support and resources" means currency or monetary instruments or financial securities, financial services, lodging, training, expert advice or assistance, safehouses, false documentation or identification, communications equipment, facilities, weapons, lethal substances, explosives, personnel, transportation, and other physical assets, except medicine or religious materials."

b. "Terrorist act" means-

(i) an act prohibited pursuant to one of the 12 United Nations Conventions and Protocols related to terrorism (see UN terrorism conventions Internet site:

<http://untreaty.un.org/English/Terrorism.asp>); or

(ii) an act of premeditated, politically motivated violence perpetrated against noncombatant targets by subnational groups or clandestine agents; or (iii) any other act intended to cause death or serious bodily injury to a civilian, or to any other person not taking an active part in hostilities in a situation of armed conflict, when the purpose of such act, by its nature or context, is to intimidate a population, or to compel a government or an international organization to do or to abstain from doing any act.

c. "Entity" means a partnership, association, corporation, or other organization, group or subgroup.

d. References in this Certification to the provision of material support and resources shall not be deemed to include the furnishing of USAID funds or USAID-financed commodities to the ultimate beneficiaries of USAID assistance, such as recipients of food, medical care, micro-enterprise loans, shelter, etc., unless the Recipient has reason to believe that one or more of these beneficiaries commits, attempts to commit, advocates, facilitates, or participates in terrorist acts, or has committed, attempted to commit, facilitated or participated in terrorist acts.

e. The Recipient's obligations under paragraph 1 are not applicable to the procurement of goods and/or services by the Recipient that are acquired in the ordinary course of business through contract or purchase, e.g., utilities, rents, office supplies, gasoline, etc., unless the Recipient has reason to believe that a vendor or supplier of such goods and services commits, attempts to commit, advocates, facilitates, or participates in terrorist acts, or has committed, attempted to commit, facilitated or participated in terrorist acts.

This Certification is an express term and condition of any agreement issued as a result of this application, and any violation of it shall be grounds for unilateral termination of the agreement by USAID prior to the end of its term.

Signed: _____
(Typed Name and Title)
(Name of Organization)

Date

PART II - OTHER STATEMENTS OF RECIPIENT

1. AUTHORIZED INDIVIDUALS

The recipient represents that the following persons are authorized to negotiate on its behalf with the Government and to bind the recipient in connection with this application or grant:

Name	Title	Telephone No.	Facsimile No.
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

2. TAXPAYER IDENTIFICATION NUMBER (TIN)

If the recipient is a U.S. organization, or a foreign organization which has income effectively connected with the conduct of activities in the U.S. or has an office or a place of business or a fiscal paying agent in the U.S., please indicate the recipient's TIN:

TIN: _____

3. CONTRACTOR IDENTIFICATION NUMBER - DATA UNIVERSAL NUMBERING SYSTEM (DUNS) NUMBER

(a) In the space provided at the end of this provision, the recipient should supply the Data Universal Numbering System (DUNS) number applicable to that name and address. Recipients should take care to report the number that identifies the recipient's name and address exactly as stated in the proposal.

(b) The DUNS is a 9-digit number assigned by Dun and Bradstreet Information Services. If the recipient does not have a DUNS number, the recipient should call Dun and Bradstreet directly at 1-800-333-0505. A DUNS number will be provided immediately by telephone at no charge to the recipient. The recipient should be prepared to provide the following information:

- (1) Recipient's name.
- (2) Recipient's address.
- (3) Recipient's telephone number.
- (4) Line of business.
- (5) Chief executive officer/key manager.
- (6) Date the organization was started.
- (7) Number of people employed by the recipient.
- (8) Company affiliation.

(c) Recipients located outside the United States may obtain the location and phone number of the local Dun and Bradstreet Information Services office from the Internet Home Page at <http://www.dbisna.com/dbis/customer/custlist.htm>. If an offeror is unable to locate a local service center, it may send an e-mail to Dun and Bradstreet at globalinfo@dbisma.com.

The DUNS system is distinct from the Federal Taxpayer Identification Number (TIN) system.

DUNS: _____

4. LETTER OF CREDIT (LOC) NUMBER

If the recipient has an existing Letter of Credit (LOC) with USAID, please indicate the LOC number:

LOC: _____

5. PROCUREMENT INFORMATION

(a) Applicability. This applies to the procurement of goods and services planned by the recipient (i.e., contracts, purchase orders, etc.) from a supplier of goods or services for the direct use or benefit of the recipient in conducting the program supported by the grant, and not to assistance provided by the recipient (i.e., a subgrant or subagreement) to a subgrantee or subrecipient in support of the subgrantee's or subrecipient's program. Provision by the recipient of the requested information does not, in and of itself, constitute USAID approval.

(b) Amount of Procurement. Please indicate the total estimated dollar amount of goods and services which the recipient plans to purchase under the grant:

\$ _____

(c) Nonexpendable Property. If the recipient plans to purchase nonexpendable equipment which would require the approval of the Agreement Officer, please indicate below (using a continuation page, as necessary) the types, quantities of each, and estimated unit costs. Nonexpendable equipment for which the Agreement Officer's approval to purchase is required is any article of nonexpendable tangible personal property charged directly to the grant, having a useful life of more than one year and an acquisition cost of \$5,000 or more per unit.

TYPE/DESCRIPTION (Generic)	QUANTITY	ESTIMATED UNIT COST
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(d) Source, Origin, and Componentry of Goods. If the recipient plans to purchase any goods/commodities which are not of U.S. source and/or U.S. origin, please indicate below (using a continuation page, as necessary) the types and quantities of each, estimated unit costs of each, and probable source and/or origin. "Source" means the country from which a commodity is shipped to the cooperating country or the cooperating country itself if the commodity is located therein at the time of purchase. However, where a commodity is shipped from a free port or bonded warehouse in the form in which received therein, "source" means the country from which the commodity

was shipped to the free port or bonded warehouse. Any commodity whose source is a non-Free World country is ineligible for USAID financing. The "origin" of a commodity is the country or area in which a commodity is mined, grown, or produced. A commodity is produced when, through manufacturing, processing, or substantial and major assembling of components, a commercially recognized new commodity results, which is substantially different in basic characteristics or in purpose or utility from its components. Merely packaging various items together for a particular procurement or relabeling items does not constitute production of a commodity. Any commodity whose origin is a non-Free World country is ineligible for USAID financing. "Components" are the goods which go directly into the production of a produced commodity. Any component from a non-Free World country makes the commodity ineligible for USAID financing.

TYPE/ PROBABLE DESCRIPTION (Generic)	QUANTITY	EST. UNIT COST	GOODS COMPONENTS	PROBABLE SOURCE	GOODS COMPONENTS	ORIGIN
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(e) Restricted Goods. If the recipient plans to purchase any restricted goods, please indicate below (using a continuation page, as necessary) the types and quantities of each, estimated unit costs of each, intended use, and probable source and/or origin. Restricted goods are Agricultural Commodities, Motor Vehicles, Pharmaceuticals, Pesticides, Rubber Compounding Chemicals and Plasticizers, Used Equipment, U.S. Government-Owned Excess Property, and Fertilizer.

TYPE/ DESCRIPTION (Generic)	QUANTITY	ESTIMATED UNIT COST	PROBABLE SOURCE	PROBABLE ORIGIN	INTENDED USE
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(f) Supplier Nationality. If the recipient plans to purchase any goods or services from suppliers of goods and services whose nationality is not in the U.S., please indicate below (using a continuation page, as necessary) the types and quantities of each good or service, estimated costs of each, probable nationality of each non-U.S. supplier of each good or service, and the rationale for purchasing from a non-U.S. supplier. Any supplier whose nationality is a non-Free World country is ineligible for USAID financing.

TYPE/ DESCRIPTION (Generic)	QUANTITY	ESTIMATED UNIT COST	PROBABLE SUPPLIER (Non-US Only)	NATIONALITY	RATIONALE for NON-US
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(g) Proposed Disposition. If the recipient plans to purchase any nonexpendable equipment with a unit acquisition cost of \$5,000 or more, please indicate below (using a continuation page, as necessary) the proposed

disposition of each such item. Generally, the recipient may either retain the property for other uses and make compensation to USAID (computed by applying the percentage of federal participation in the cost of the original program to the current fair market value of the property), or sell the property and reimburse USAID an amount computed by applying to the sales proceeds the percentage of federal participation in the cost of the original program (except that the recipient may deduct from the federal share \$500 or 10% of the proceeds, whichever is greater, for selling and handling expenses), or donate the property to a host country institution, or otherwise dispose of the property as instructed by USAID.

TYPE/DESCRIPTION (Generic)	QUANTITY	ESTIMATED UNIT COST	PROPOSED	DISPOSITION
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6. PAST PERFORMANCE REFERENCES

On a continuation page, please provide a list of the ten most current U.S. Government and/or privately-funded contracts, grants, cooperative agreements, etc., and the name, address, and telephone number of the Contract/Agreement Officer or other contact person.

7. TYPE OF ORGANIZATION

The recipient, by checking the applicable box, represents that -

(a) If the recipient is a U.S. entity, it operates as ☐ a corporation incorporated under the laws of the State of, ☐ an individual, ☐ a partnership, ☐ a nongovernmental nonprofit organization, ☐ a state or local governmental organization, ☐ a private college or university, ☐ a public college or university, ☐ an international organization, or ☐ a joint venture; or

(b) If the recipient is a non-U.S. entity, it operates as ☐ a corporation organized under the laws of _____ (country), ☐ an individual, ☐ a partnership, ☐ a nongovernmental nonprofit organization, ☐ a nongovernmental educational institution, ☐ a governmental organization, ☐ an international organization, or ☐ a joint venture.

8. ESTIMATED COSTS OF COMMUNICATIONS PRODUCTS

The following are the estimate(s) of the cost of each separate communications product (i.e., any printed material [other than non-color photocopy material], photographic services, or video production services) which is anticipated under the grant. Each estimate must include all the costs associated with preparation and execution of the product. Use a continuation page as necessary.

Survey on Ensuring Equal Opportunity for Applicants

OMB No. 1890-0014 Exp. 1/31/2006

Purpose: The Federal government is committed to ensuring that all qualified applicants, small or large, non-religious or faith-based, have an equal opportunity to compete for Federal funding. In order for us to better understand the population of applicants for Federal funds, we are asking nonprofit private organizations (not including private universities) to fill out this survey.

Upon receipt, the survey will be separated from the application. Information on the survey will not be considered in any way in making funding decisions and will not be included in the Federal grants database. While your help in this data collection process is greatly appreciated, completion of this survey is voluntary.

Instructions for Submitting the Survey: If you are applying using a hard copy application, please place the completed survey in an envelope labeled "Applicant Survey." Seal the envelope and include it along with your application package. If you are applying electronically, please submit this survey along with your application.

Applicant's (Organization) Name: _____

Applicant's DUNS Number: _____

Grant Name: _____ **CFDA Number:** _____

1. Does the applicant have 501(c)(3) status?

☐ Yes

☐ No

2. How many full-time equivalent employees does the applicant have? (Check only one box).

☐ 3 or Fewer

☐ 15-50

☐ 4-5

☐ 51-100

☐ 6-12

☐ over 100

3. What is the size of the applicant's annual budget? (Check only one box.)

☐ Less than \$150,000

☐ \$150,000 - \$299,999

☐ \$300,000 - \$499,999

☐ \$500,000 - \$999,999

☐ \$1,000,000 - \$4,999,999

☐ \$5,000,000 or more

4. Is the applicant a faith-based/religious organization?

☐ Yes

☐ No

5. Is the applicant a non-religious community based organization?

☐ Yes

☐ No

6. Is the applicant an intermediary that will manage the grant on behalf of other organizations?

☐ Yes

☐ No

7. Has the applicant ever received a government grant or contract (Federal, State, or local)?

☐ Yes

☐ No

8. Is the applicant a local affiliate of a national organization?

☐ Yes

☐ No

Survey Instructions on Ensuring Equal Opportunity for Applicants

Provide the applicant's (organization) name and DUNS number and the grant name and CFDA number.

1. 501(c)(3) status is a legal designation provided on application to the Internal Revenue Service by eligible organizations. Some grant programs may require nonprofit applicants to have 501(c)(3) status. Other grant programs do not.
2. For example, two part-time employees who each work half-time equal one full-time equivalent employee. If the applicant is a local affiliate of a national organization, the responses to survey questions 2 and 3 should reflect the staff and budget size of the local affiliate.
3. Annual budget means the amount of money our organization spends each year on all of its activities.
4. Self-identify.
5. An organization is considered a community-based organization if its headquarters/service location shares the same zip code as the clients you serve.
6. An "intermediary" is an organization that enables a group of small organizations to receive and manage government funds by administering the grant on their behalf.
7. Self-explanatory.
8. Self-explanatory.

Paperwork Burden Statement

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless such collection displays a valid OMB control number. The valid OMB control number for this information collection is 1890-0014. The time required to complete this information collection is estimated to average five (5) minutes per response, including the time to review instructions, search existing data resources, gather the data needed, and complete and review the information collection. **If you have any comments concerning the accuracy of the time estimate(s) or suggestions for improving this form, please write to:** U.S. Department of Education, Washington, D.C. 20202-4651.

If you have comments or concerns regarding the status of your individual submission of this form, write directly to: Joyce I. Mays, Application Control Center, U.S. Department of Education, 7th and D Streets, SW, ROB-3, Room 3671, Washington, D.C. 20202-4725.

SECTION E - ANNEXES

Annex A - Strategic Objective # 2 chapter from USAID/G-CAP Country Program Strategy, 2004-2008

Annex B - Strategic Objective # 2 Performance Monitoring Plan